

City of Cunningham

Financial Statement

For the Year Ended December 31, 2018

ATC Accounting

City of Cunningham, Kansas
 Financial Statement
 For the Year Ended December 31, 2018

TABLE OF CONTENTS

		Page Number
	Independent Auditor’s Report	1
FINANCIAL SECTION		
Statement 1	Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
	Notes to Financial Statement	4
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION		
Schedule 1	Summary of Expenditures – Actual and Budget	12
Schedule 2	Schedule of Receipts and Expenditures – Actual and Budget	
	2-1 General	13
	Special Purpose Funds	
	2-2 Library	15
	2-3 Employee Benefits	16
	2-4 Special Highway	17
	Bond and Interest	
	2-5 Bond and Interest	18
	Capital Project Funds	
	2-6 Capital Improvement	19
	2-7 Equipment Reserve	20
	Business Funds	
	2-8 Water Utility	21
	2-9 Sewer Utility	22

INDEPENDENT AUDITOR'S REPORT

Component Units Are Omitted-Separate Entity Financial Statements Have Been Issued

Honorable Mayor and City Council
City of Cunningham
Cunningham, Kansas 67035

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Cunningham, Kansas, as of and for the year ended December 31, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Cunningham, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Cunningham, Kansas as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Cunningham, Kansas as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2018 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2018 basic financial statement, however are required to be presented under the provision of the Kansas Municipal audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 information has been subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2017 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2017 basic financial statement upon which we rendered as unqualified opinion dated July 6, 2018. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

ATC Accounting

ATC Accounting

July 12, 2019

City of Cunningham, Kansas
 Summary Statement of Receipts, Expenditures, and Encumbered Cash
 Regulatory Basis
 For the Year Ended December 31, 2018

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
GENERAL	\$ 24,254	\$ 339,847	\$ 336,751	\$ 27,350	\$ 131	\$ 27,481
SPECIAL PURPOSE FUNDS:						
Library	-	10,632	10,632	-	-	-
Employee Benefits	11,428	33,747	37,493	7,682	-	7,682
Special Highway	15,572	12,377	11,090	16,859	-	16,859
BOND AND INTEREST FUND:						
Bond and Interest	4,318	24,639	22,810	6,147	-	6,147
CAPITAL PROJECT FUNDS:						
Capital Improvement	80,329	30,088	42,630	67,787	25,117	92,904
Equipment Reserve	15,960	8,000	-	23,960	-	23,960
BUSINESS FUNDS:						
Water Utility	24,071	101,074	114,252	10,893	442	11,335
Sewer Utility	11,973	65,832	58,193	19,612	-	19,612
Total Reporting Entity	<u>\$ 187,905</u>	<u>\$ 626,236</u>	<u>\$ 633,851</u>	<u>\$ 180,290</u>	<u>\$ 25,690</u>	<u>\$ 205,980</u>

Cash on hand	\$ 200
Checking Accounts	<u>205,780</u>
Total Reporting Entity	<u><u>\$ 205,980</u></u>

The notes to the financial statement are an integral part of this statement

City of Cunningham, Kansas
Notes to Financial Statement
December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of Cunningham is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Cunningham (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted from the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 1st
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received, an expenditure includes disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any non-compliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$205,780 and the bank balance was \$218,676. The bank balance was held by 2 banks resulting in no concentration of credit risk. Of the bank balance \$218,676 was covered by federal depository insurance.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

Changes in long-term liabilities for the year ended December 31, 2018, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest/ Service Fees Paid
General Obligation Bond: Series 2012	.50-2.20%	11/15/2012	\$ 550,000	12/01/2027	\$ 375,000	\$ -	\$ 35,000	\$ 340,000	\$ 7,080
Capital Lease: Backhoe Lease	3.250%	01/25/2017	30,000	01/25/2021	23,467	-	8,090	15,377	663
Pumper Fire Truck	3.690%	11/03/2014	44,550	11/03/2018	11,750	-	11,750	-	434
Total Contractual Indebtedness					<u>\$ 410,217</u>	<u>\$ -</u>	<u>\$ 54,840</u>	<u>\$ 355,377</u>	<u>\$ 8,177</u>

Year	General Obligation Bond		Capital Lease		Capital Lease		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2019	\$ 35,000	\$ 6,590	\$ 7,599	\$ 417	\$ -	\$ -	\$ 42,599	\$ 7,007	
2019	35,000	6,100	7,778	163	-	-	42,778	6,263	
2020	35,000	5,610	-	-	-	-	35,000	5,610	
2021	35,000	4,945	-	-	-	-	35,000	4,945	
2022	40,000	4,280	-	-	-	-	40,000	4,280	
2023-2027	160,000	8,800	-	-	-	-	160,000	8,800	
<hr/>									
<u>\$ 340,000 \$ 36,325 \$ 15,377 \$ 580 \$ - \$ - \$ 355,377 \$ 36,905</u>									

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERs member-employee contribution rates. KPERs has multiple benefit structures and contribution rates depend on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and Tier 3 members were first employed in a covered position on or after January 1, 2015. Kansas law establishes the KPERs member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. On January 1, 2015, Kansas law increased the KPERs member-employee contribution rate to 6% of covered salary for Tier 1 members. On that date, the Tier 2 member-employee contribution rate remained at 6% of covered salary, and the Tier 3 member contribution rate was established at 6% of covered salary. Member contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for Tier 1 and Tier 2 be determined annually based on the results of an annual actuarial valuation. Tier 3 Employer credits are established by statute and are based on the member employee's years of service. Tier 1 and Tier 2 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.00%, for the fiscal year ended December 31, 2018. Contributions to the pension plan from the city were \$6,478 for the year ended December 31, 2018

Net Pension Liability. At December 31, 2018, the city's proportionate share of the collective net pension liability reported by KPERs was \$69,453. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The city's proportion of the net pension liability was based on the ration of the city's contributions to KPERs, relative to the total employer and non-employer contributions of the local subgroup within KPERs. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERs collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Compensated Absences

An employee is given one day sick leave for each month of employment. A total of thirty-six days sick leave can be accumulated. Part-time employees and temporary employees are not entitled to sick leave unless agreed to by the City Council. No sick leave exceeding two consecutive days will be allowed unless a statement from a doctor certifies that the sickness prevented the employee from working. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is served, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

(c) Other Employee Benefits

Vacation – All full-time employees of the City are entitled to paid vacation. After one full year of employment, employees are entitled to ten working days of paid vacation. At the end of fifteen years employment, employees are entitled to fifteen working days of paid vacation. After twenty years employment, employees are entitled to twenty days of paid vacation. Employees are not allowed to accumulate vacation from year to year. The vacation time is paid at the employee’s regular rate. Unused vacation pay will be paid to employees upon termination, if proper notice of resignation is given.

The cost of accumulated vacation leave is \$487 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave - After a 90 day training period, an employee is given ten days sick leave plus 2 personal days each year of employment. A total of sixty days sick leave can be accumulated. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is served. Upon termination or resignation, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

7. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2017 to 2018 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City’s management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Equipment Reserve	K.S.A. 12-1118	8,000
General	Capital Improvements	K.S.A. 12-1118	30,000

9. RELATED PARTY TRANSACTIONS

David Steffen, City Clerk, was an owner of the Cunningham Courier, a newspaper in the city. Aaron Murphy, City Council, is the assistant manager at Skyland Grain (formerly Cairo Co-op). Jason Ruckle, City Council, has a son that owns T&R Excavating. The City conducted business with these businesses and paid them \$853, \$690, and \$4,115, respectively for services or products.

Jason Ruckle, City Council, is the son-in-law of employee Sam Theis. Aaron Murphy, City Council, is the son-in-law of employee Randy Shelman. The City employs these two and conducts employment under the same policies as all employees.

10. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

CITY OF CUNNINGHAM, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

City of Cunningham, Kansas
 Summary of Expenditures – Actual and Budget
 Regulatory Basis
 (Budgeted Funds Only)
 For the Year Ended December 31, 2018

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 390,325	\$ -	\$ 390,325	\$ 298,751	\$ (91,574)
SPECIAL PURPOSE FUNDS:					
Library	10,865	-	10,865	10,632	(233)
Employee Benefits	40,175	-	40,175	37,493	(2,682)
Special Highway	28,206	-	28,206	11,090	(17,116)
BOND AND INTEREST FUND:					
Bond and Interest	49,080	-	49,080	22,810	(26,270)
BUSINESS FUNDS:					
Water Utility	149,007	-	149,007	114,252	(34,755)
Sewer Utility	75,000	-	75,000	58,193	(16,807)

City of Cunningham, Kansas
 General Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year End December 31, 2018

	2017		2018		Variance Over (Under)
	Actual	Actual	Budget		
Receipts					
Ad Valorem Tax	\$ 99,021	\$ 108,901	\$ 111,919	\$ (3,018)	
Delinquent Tax	3,503	2,090	1,869	221	
Motor Vehicle Tax	23,075	22,434	18,017	4,417	
Recreational Vehicle Tax	290	268	241	27	
16/20M Vehicle Tax	452	397	878	(481)	
Commercial Truck Tax	1,836	2,831	747	2,084	
Watercraft Tax	-	-	-	-	
Franchise Fees	22,841	24,536	22,500	2,036	
Local Sales Tax	108,958	130,275	111,000	19,275	
Licenses, Permits, Rent, Court	1,776	667	1,700	(1,033)	
Charges for Services – Swimming Pool	6,570	7,673	7,000	673	
Grants and Donations	323	131	9,500	(9,369)	
Interest on Idle Funds	166	163	120	43	
Reimbursements	560	6,412	-	6,412	
Miscellaneous Receipts	14,385	47	2,000	(1,953)	
Fire Protection	32,500	33,000	32,500	500	
Fire Department Grants and Donations	2,034	12,688	-	12,688	
Sale of Assets	-	750	-	750	
Neighborhood Revitalization Rebate	(10,333)	(13,416)	(8,512)	(4,904)	
Total Receipts	307,957	339,847	\$ 311,479	\$ 28,368	
Expenditures					
Salaries and Wages	51,902	43,869	\$ 40,000	\$ 3,869	
Administrative	22,006	21,007	30,000	(8,993)	
Utilities	15,166	17,489	17,000	489	
Insurance	9,858	17,954	9,800	8,154	
Planning and Zoning	77	164	1,500	(1,336)	
Animal Control	1,816	1,341	2,000	(659)	
Trees, Parks, Recreation	5,967	10,836	18,500	(7,664)	
Municipal Court	-	25	750	(725)	
Swimming Pool	32,199	30,558	35,000	(4,442)	
Dues and Donations	-	1,550	4,000	(2,450)	
Fuel	2,371	2,825	3,200	(375)	
Demolition and Solid Waste	2,468	1,421	5,000	(3,579)	
Streets and Sidewalks	38,535	27,765	30,250	(2,485)	
Maintenance and Repairs	5,841	28,668	20,000	8,668	
Fire Department Expenses	43,202	51,428	75,000	(23,572)	
Sales Tax CID	28,235	36,481	30,000	6,481	
Miscellaneous	1,068	966	13,325	(12,359)	

City of Cunningham, Kansas
 General Fund (Cont)
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Bond Principal	17,500	-	-	-
Capital Outlay	22,613	4,404	5,000	(596)
Transfer to Capital Improvements	40,000	30,000	40,000	(10,000)
Transfer to Equipment Reserve	10,000	8,000	10,000	(2,000)
Total Expenditures	350,824	336,751	\$ 390,325	\$ (53,574)
Receipts Over (Under) Expenditures	(42,867)	3,096		
Unencumbered Cash , January 1	67,121	24,254		
Unencumbered Cash, December 31	\$ 24,254	\$ 27,350		

City of Cunningham, Kansas
 Library Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 8,818	\$ 9,579	\$ 9,844	\$ (265)
Delinquent Tax	283	177	164	13
Motor Vehicle Tax	1,826	1,776	1,604	172
Recreational Vehicle Tax	23	21	21	-
16/20M Vehicle Tax	35	35	78	(43)
Commercial Vehicle Tax	145	224	67	157
Watercraft Tax	-	-	-	-
Miscellaneous	-	-	-	-
Neighborhood Revitalization Rebate	(920)	(1,180)	(749)	(431)
Total Receipts	10,210	10,632	\$ 11,029	\$ (397)
Expenditures				
Contractual Services	10,210	10,632	\$ 10,865	\$ (233)
Miscellaneous	-	-	-	-
Total Expenditures	10,210	10,632	\$ 10,865	\$ (233)
Receipts Over (Under) Expenditures	-	-	-	-
Unencumbered Cash, January 1	-	-	-	-
Unencumbered Cash, December 31	\$ -	\$ -	-	-

City of Cunningham, Kansas
Employee Benefit Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 33,190	\$ 30,903	\$ 31,781	\$ (878)
Delinquent Tax	862	590	531	59
Motor Vehicle Tax	5,360	5,211	6,039	(828)
Recreational Vehicle Tax	67	62	81	(19)
16/20M Vehicle Tax	92	133	294	(161)
Commercial Vehicle Tax	426	658	251	407
Watercraft Tax	-	-	-	-
Neighborhood Revitalization Rebate	(3,463)	(3,810)	(2,417)	(1,393)
Total Receipts	36,534	33,747	\$ 36,560	\$ (2,813)
Expenditures				
Social Security and Medicare	9,389	9,734	\$ 9,000	\$ 734
Insurance	13,037	19,319	22,500	(3,181)
KPERS	5,979	7,258	8,100	(842)
Unemployment	847	1,182	575	607
Total Expenditures	29,252	37,493	\$ 40,175	\$ (2,682)
Receipts Over (Under) Expenditures	7,282	(3,746)		
Unencumbered Cash, January 1	4,146	11,428		
Unencumbered Cash, December 31	<u>\$ 11,428</u>	<u>\$ 7,682</u>		

City of Cunningham, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Special Highway Tax	\$ 12,368	\$ 12,377	\$ 12,520	\$ (143)
Miscellaneous	-	-	-	-
Total Receipts	<u>12,368</u>	<u>12,377</u>	<u>\$ 12,520</u>	<u>\$ (143)</u>
Expenditures				
Street Repair	<u>16,418</u>	<u>11,090</u>	<u>\$ 28,206</u>	<u>\$ (17,116)</u>
Receipts Over (Under) Expenditures	(4,050)	1,287		
Unencumbered Cash, January 1	<u>19,622</u>	<u>15,572</u>		
Unencumbered Cash, December 31	<u>\$ 15,572</u>	<u>\$ 16,859</u>		

City of Cunningham, Kansas
 Bond and Interest Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 16,903	\$ 22,474	\$ 23,081	\$ (607)
Delinquent Tax	607	369	385	(16)
Motor Vehicle Tax	4,022	3,910	3,073	837
Recreational Vehicle Tax	50	47	41	6
16/20M Vehicle Tax	75	68	150	(82)
Commercial Vehicle Tax	320	493	128	365
Watercraft Tax	-	-	-	-
Interest on Idle Funds	66	45	65	(20)
Transfer - Water	-	-	21,040	(21,040)
Neighborhood Revitalization Rebate	(1,763)	(2,767)	(1,755)	(1,012)
Total Receipts	20,280	24,639	\$ 46,208	\$ (21,569)
Expenditures				
Bond Principal Payments	17,500	17,500	\$ 35,000	\$ (17,500)
Bond Interest Payments	3,706	5,310	7,080	(1,770)
Bond Reserve	-	-	7,000	(7,000)
Total Expenditures	21,206	22,810	\$ 49,080	\$ (26,270)
Receipts Over (Under) Expenditures	(926)	1,829		
Unencumbered Cash, January 1	5,244	4,318		
Unencumbered Cash, December 31	\$ 4,318	\$ 6,147		

City of Cunningham, Kansas
 Capital Improvement Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year End December 31, 2018

	2017	2018
	Actual	Actual
Receipts		
Interest on Idle Funds	\$ 101	\$ 88
Transfer - General	40,000	30,000
Transfer – Water	-	-
Transfer - Sewer	-	-
Temporary Note	-	-
Grant/Donations	324,999	-
Total Receipts	365,100	30,088
Expenditures		
Streets and Sidewalks	54,570	25,016
Fire House Improvements	336,316	-
Equipment	-	17,614
Total Expenditures	390,886	42,630
Receipts Over (Under) Expenditures	(25,786)	(12,542)
Unencumbered Cash, January 1	106,115	80,329
Unencumbered Cash, December 31	\$ 80,329	\$ 67,787

City of Cunningham, Kansas
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures – Actual
 Regulatory Basis
 For the Year End December 31, 2018

	2017	2018
	Actual	Actual
Receipts		
Transfer - General	\$ 10,000	\$ 8,000
Expenditures		
Capital Outlay	14,540	-
Receipts Over (Under) Expenditures	(4,540)	-
Unencumbered Cash, January 1	20,500	15,960
Unencumbered Cash, December 31	\$ 15,960	\$ 23,960

City of Cunningham, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 104,056	\$ 101,074	\$ 125,000	\$ (23,926)
Miscellaneous Receipts	-	-	-	-
Total Receipts	104,056	101,074	\$ 125,000	\$ (23,926)
Expenditures				
Salaries and Wages	39,932	36,357	\$ 40,000	\$ (3,643)
Employee Benefits	3,000	4,900	-	4,900
Administration	7,544	5,181	7,500	(2,319)
Analytical Fees	1,876	3,120	-	3,120
Utilities	5,071	5,805	5,000	805
Insurance	5,885	7,400	7,000	400
Contracted Services	1,391	8,500	9,000	(500)
Maintenance	18,187	16,598	35,000	(18,402)
Sales Tax	3,114	1,963	3,000	(1,037)
Equipment Lease	-	3,276	2,800	476
Chemicals	1,420	1,758	2,250	(492)
Bond Principle	-	17,500	17,500	-
Bond Interest	3,706	1,770	3,540	(1,770)
Miscellaneous	33	124	-	124
Capital Outlay	12,574	-	6,417	(6,417)
Transfer – Capital Improvements	-	-	10,000	(10,000)
Transfer – Bond and Interest	-	-	-	-
Total Expenditures	103,733	114,252	\$ 149,007	\$ (34,755)
Receipts Over (Under) Expenditures	323	(13,178)		
Unencumbered Cash, January 1	23,748	24,071		
Unencumbered Cash, December 31	\$ 24,071	\$ 10,893		

City of Cunningham, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year End December 31, 2018

	2017	2018		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 65,943	\$ 65,832	\$ 75,000	\$ (9,168)
Miscellaneous	-	-	-	-
Total Receipts	<u>65,943</u>	<u>65,832</u>	<u>\$ 75,000</u>	<u>\$ (9,168)</u>
Expenditures				
Salaries and Wages	31,127	36,687	\$ 38,000	\$ (1,313)
Employee Benefits	3,000	4,900	-	4,900
Administration	2,773	5,432	2,800	2,632
Utilities	1,578	1,488	2,000	(512)
Analytical Fees	727	604	600	4
Chemicals	134	2,193	-	2,193
Insurance	1,415	1,647	2,500	(853)
Contracted Services	-	425	9,500	(9,075)
Maintenance	9,690	1,541	6,000	(4,459)
Miscellaneous	-	-	1,000	(1,000)
Capital Outlay	7,574	-	4,800	(4,800)
Equipment Lease Payment	-	3,276	2,800	476
Transfer – Capital Improvements	-	-	5,000	(5,000)
Total Expenditures	<u>58,018</u>	<u>58,193</u>	<u>\$ 75,000</u>	<u>\$ (16,807)</u>
Receipts Over (Under) Expenditures	7,925	7,639		
Unencumbered Cash, January 1	<u>4,048</u>	<u>11,973</u>		
Unencumbered Cash, December 31	<u>\$ 11,973</u>	<u>\$ 19,612</u>		